

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: February 5, 1996

SUBJECT: **HB 2234 - SB 2495**

This bill, if enacted, will allow the Tennessee Board of Regents and the University of Tennessee to award a contract to any qualified third-party to provide vending operations at UT or Regents institutions. Currently priority is given to legally blind individuals licensed by the Department of Human Services.

The fiscal impact of this bill is estimated to result in a decrease in state revenues to the Department of Human Services of \$180,000 in administrative fees paid by such vendors and a decrease to the department in federal matching revenues of \$665,100 for a total of \$845,100. The fiscal impact is also estimated to result in a decrease in state expenditures of the same amount since the department would no longer be required to administer the program.

The fiscal impact is estimated to result in an increase in state revenues to the Board of Regents and the University of Tennessee from income gained from contracting for these services. The amount of the increase cannot be determined but is estimated to exceed \$100,000.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James A. Davenport". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

James A. Davenport, Executive Director